



General Assembly

January Session, 2001

***Raised Bill No. 1027***

LCO No. 2960

Referred to Committee on Public Health

Introduced by:  
(PH )

***AN ACT CONCERNING THE SUBSTANCE ABUSE REVOLVING LOAN FUND.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Subsection (c) of section 17a-674 of the general statutes is repealed  
2 and the following is substituted in lieu thereof:

3 (c) No loan made pursuant to subsection (a) of this section shall be  
4 in an amount in excess of four thousand dollars or for a term of more  
5 than two years. Each such loan shall be repaid in monthly installments  
6 and [shall] may bear interest at a rate to be determined by the  
7 department, but not to exceed six per cent per year. The department  
8 [shall] may assess a penalty [of] not to exceed five per cent of [the  
9 amount of any monthly payment for any such payment which remains  
10 unpaid fifteen days after the due date of such payment and may assess  
11 such interest on such late payments as specified in a loan agreement]  
12 any amounts that are delinquent or past due for more than six months.  
13 Amounts received in repayment of a loan made under this section  
14 shall be applied first to the current monthly installment due, then to  
15 any interest due, then to the principal of the oldest outstanding loan.  
16 Such loan terms, interest requirements and penalty provisions shall be

17 included in each loan agreement and in any contract for the  
18 administration of the program made pursuant to subsection (d) of this  
19 section. Each loan agreement shall specify that the recipient shall use  
20 such loan in accordance with the guidelines issued by the Secretary of  
21 the Department of Health and Human Services of the federal  
22 government pursuant to the requirements of Public Law 100-690 for  
23 such loans.

***Statement of Purpose:***

To give the Commissioner of Mental Health and Addiction Services discretion concerning the imposition of interest and penalties on loans to providers under the Substance Abuse Revolving Loan Fund.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*